



CITY OF HAMILTON
CORPORATE SERVICES DEPARTMENT
Finance, Administration and Revenue Generation Division

TO:	Mayor and Members General Issues Committee
COMMITTEE DATE:	July 6, 2015
SUBJECT/REPORT NO:	Extension of Service Contract for Management of the Hamilton Farmers' Market (FCS14046(a)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	John Hertel 905-546-2424 Ext. 2739
SUBMITTED BY:	Mike Zegarac General Manager Finance & Corporate Services Department
SIGNATURE:	

Discussion of this Confidential Report in closed session is subject to the following requirement(s) of the City of Hamilton's Procedural By-law and the Ontario Municipal Act, 2001: ♦ Personal matters about an identifiable individual(s), including City employees;

RECOMMENDATION

- (a) That staff be directed to renew the current employment contract for management of the Hamilton Farmers' Market, from the current expiry date of June 30 2015, through to March 31, 2016 or until such time that the new Board is fully constituted and in a position to address the management of the Hamilton Farmer's Market;
- (b) That Report FCS14046(a) respecting the Extension of Service Contract for Management of the Hamilton Farmers' Market remain confidential and not be released as a public document as the information relates to an identifiable individual.

EXECUTIVE SUMMARY

On **June 11, 2014** Council approved Confidential Report Extension of Service Contract for Management of the Hamilton Farmers' Market FCS14046 that included the following recommendations:

- (a) That staff be direct to renew the current employment contract for management of the Hamilton Farmers' Market, from the current expiry date at the end of **June 2014**, through to the completion and signing of an Operating Agreement between the new not-for-profit corporation for the

SUBJECT: Extension of Service Contract for Management of the Hamilton Farmers' Market (FCS14046)(a) (City Wide) - Page 2 of 5

Hamilton Farmers' Market and the City of Hamilton or to June 30, 2015, whichever is earlier;

- (b) That report FCS14046 respecting the Extension of Service Contract for Management of the Hamilton Farmers' Market remain confidential and not be released as a public document as the information relates to identifiable individuals.

Due to the timing of the Municipal Election and the resultant timing of the Selection Committee's opportunity to recommend and Council's opportunity to approve the membership of the new Board of Directors, the first meeting of the new Board is scheduled for June 22nd and the Board will therefore not be in a position to discuss and sign off on an Operating Agreement with the City for several weeks.

On **September 24, 2014** City Council approved an update report CM12009(d) that included the following recommendation: "Until such time as an Operating Agreement between the City and the Hamilton Farmers' Market Corporation is signed, the Hamilton Farmers' Market continue to operate as set out in the Market By-law No. 10-209."

Alternatives for Consideration – See Page X or Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS (for recommendation(s) only)

Financial: Costs associated with the Market Manager position are included in the 2015 Budget that has been approved by Council. The position is graded at non-union Grade 7 with a salary level in the range established for this grade level.

Staffing: The current contract for the Market Manager expires at the end of June 2015. The current contract states it can be extended at the discretion of the City. A contract extension can be established to reflect the direction provided by Council after review of Report FCS14046(a).

Legal: There are no legal implications associated with the recommendations of Report FCS14046(a).

HISTORICAL BACKGROUND (Chronology of events)

On **May 14, 2014** City Council approved an update report CM12009(b) that included the following recommendations:

- (a) That Staff report back with a governance model and implementation plan of a Municipal not-for-profit corporation for the Hamilton Farmers' Market;
- (b) That staff be directed to prepare Business Case and conduct a public consultation with respect to a not-for-profit corporation, as required by the

SUBJECT: Extension of Service Contract for Management of the Hamilton Farmers' Market (FCS14046)(a) (City Wide) - Page 3 of 5

Ontario Regulation 599/06 of the Municipal Act, 2001 respecting the creation of Municipal Services Corporations;

- (c) That the power point presentation in Appendix 1 (attached) that includes an update to the Hamilton Farmers' Market action register as well as a proposed framework for the new Not-for-profit corporation framework be received.

In compliance with Council's direction to staff, and as required by the Ontario Regulation 599/06 of the Municipal Act, 2001 respecting the creation of Municipal Services Corporations, public consultations were held and a business case was prepared.

On **June 12, 2014**, by Report 14-003, the Hamilton Farmers' Market Sub-committee approved the Terms of Reference/Business Case to create a municipal not-for-profit corporation for the Hamilton Farmers' Market. Approval of the General Issues Committee and Council was given on **July 7, 2014** and **July 11, 2014**, respectively.

On **September 24, 2014** City Council approved an update report CM12009(d) that included the following recommendations:

- (a) That the City Solicitor be authorized and directed to file the Letters Patent, attached as Appendix "A" to Report CM12009(d), respecting the Hamilton Farmers' Market Incorporation, subject to any revisions required by the Ministry of Government Services and satisfactory to the City Solicitor;
- (b) That the General Manager of Finance and Corporate Services be authorized and directed to appoint the following three staff members to execute the Letters Patent and act as the incorporators and initial Directors of the Hamilton Farmers' Market Corporation, until such time that a Board of Directors is chosen by the Selection Committee:
 - (i) Mike Zegarac, General Manager of Finance and Corporate Services
 - (ii) Brian McMullen, Director of Financial Planning and Policy
 - (iii) John Hertel, Director of Finance, Administration, and Revenue Generation
- (c) That Corporate By-law No. 1, attached as Appendix "B" to Report CM12009(d), respecting the Hamilton Farmers' Market Incorporation, be approved as the initial corporate by-law for the Hamilton Farmers' Market Corporation;

SUBJECT: Extension of Service Contract for Management of the Hamilton Farmers' Market (FCS14046)(a) (City Wide) - Page 4 of 5

- (d) That the City Clerk be directed to advertise for citizens to serve on the board of directors of the Hamilton Farmers' Market Corporation;
- (e) That the Selection Committee, through the selection process, conducts interviews and recommend citizen appointments to the Board of Directors of the Hamilton Farmers' Market Corporation to the General Issues Committee for consideration;
- (f) That two members of Council, through the Nomination Committee, be approved to the Hamilton Farmers' Market Corporation Board of Directors;
- (g) That staff be authorized and directed to negotiate an Operating Agreement with the Hamilton Farmers' Market Corporation Board of Directors addressing the operational, financial, personnel, reporting and other requirements of the parties, and report back to the General Issues Committee with respect to such negotiations;
- (h) That, until such time as an Operating Agreement between the City and the Hamilton Farmers' Market Corporation is signed, the Hamilton Farmers' Market continue to operate as set out in the Market By-law No. 10-209.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

None

RELEVANT CONSULTATION

The Finance and Administration Section of the Finance, Administration and Revenue Generation Division confirmed that the 2015 Budget, approved by Council, and the 2015 budget includes 1.0 FTE for the Market Manager for the full year.

The Employment Services Section, Human Resources and Organizational Development Division advised that a contract extension can be created to reflect the direction of Council provided after their review of Report FCS14046(a).

Legal Services' Solicitor confirmed that the new not-for-profit Board of Directors of the Hamilton Farmers' Market corporation will not be able to full take over the operation of the Hamilton Farmers' Market until such time as the Operating Agreement between the City and the Board is fully signed and executed; until such time, the Hamilton Farmers' Market continue to operate as set out in the Market By-law No. 10-209.

ANALYSIS AND RATIONAL FOR RECOMMENDATION

As outlined in the Market By-law, City Council has delegated the responsibility for the day-to-day management of the Market to a Market Manager, which therefore requires someone to act in that capacity. Approval of the recommendations in Report FCS14046(a) will provide uninterrupted onsite management at the Market until the Operating Agreement is signed between the City and the not-for-profit corporation Board.

ALTERNATIVES FOR CONSIDERATION

No members of the current part time staff are capable of taking over the Market Manager's responsibilities.

There would be a significant loss in productivity and continuity if a different Market Manager were to be recruited, hired, and trained during this interim period.

ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN

Strategic Priority #2

Valued & Sustainable Services

WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.

Strategic Objective

2.3 Enhance customer service satisfaction.

APPENDICES AND SCHEDULES ATTACHED - None